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TAGS: [ECON](#) [ELAB](#) [PGOV](#) [PHUM](#) [PINS](#) [TS](#)  
SUBJECT: TUNISIAN LABOR NEGOTIATIONS: TOUGH SLOG AHEAD

REF: A. TUNIS 761  
[B.](#) TUNIS 615  
[C.](#) TUNIS 362

Classified By: Ambassador Robert F. Godec for Reasons 1.4 (b) and (d).

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Summary  
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[¶1.](#) (C) In a July 21 meeting with the Ambassador, Secretary General of the General Union of Tunisian Workers (UGTT) Abdessalem Jerad said:

-- there is no end in sight to the ongoing "social negotiations";  
-- the UGTT is prepared to use strikes and all other legal levers to secure its goals, most importantly a wage increase, in the negotiations;  
-- the UGTT will not take up its seats in the three-year old Chamber of Advisors until appointment authority is delegated to them; and,  
-- the protests in the Gafsa region (ref B) were not initiated by UGTT branch leaders, but were "spontaneous social combustion" in response to economic conditions.

[¶2.](#) (C) In our view, the social negotiations, which will determine the wage increases for many Tunisians, present a critical challenge for the UGTT, the business community and the GOT. The response of ordinary Tunisians to the decisions made in those talks will be a measure of how happy ) or not ) they are with their situation today. End Summary.

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Role of the UGTT  
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[¶3.](#) (C) The Ambassador met with UGTT Secretary General Abdessalem Jerad, Counselor Abdelhamid Achour, and Assistant Secretary General for International Relations Mohamed Trabelsi at their headquarters. Jerad was warm and open through out the conversation and welcomed the Ambassador's visit as another opportunity to exchange views. Jerad focused his initial comments on the dual role of the UGTT: on the one hand, the organization is a champion of social justice, protecting the needs of Tunisian workers. On the other hand, as a national player, it has an important coordinating role with the government.

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Men at Work?  
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[¶4.](#) (C) When the Ambassador asked about the status of the ongoing "social Negotiations," Jerad asserted that the rising cost of living, specifically food and fuel, were driving factors for UGTT in the negotiations. He recognized that there is some positive economic progress in Tunisia, but underscored there is an increased need to look at redistribution of wealth and investment in the interior of

the country. Jerad highlighted the previously reported negotiation goals (ref A) of worker conditions, a wage increase that takes into account inflation, professional development and protection for union leadership. He also confirmed that UGTT is negotiating on behalf of three million employees of both the private and public sector and that all parts of the organization are mobilized and fully engaged in the process.

¶5. (C) Jerad made clear that there is no end in sight for the negotiations. When asked whether there is a deadline, he responded that the deadline is a "good result." He made plain that the UGTT is fully prepared to use strikes and all other legal levers to achieve its objectives. We have, he said, no choice but to use all means at our disposal. Jerad pointed to the strikes held in early June (Ref A) to help secure agreement to the negotiation framework as an indication of the UGTT's determination to press their point.

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Social Combustion  
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¶6. (C) When asked about the recent unrest in the Gafsa region and the arrest of UGTT representatives, Jerad was quick to downplay the role of UGTT's local leadership in fomenting protests (ref C). He added that the protests were "spontaneous social combustion" in response to the economic conditions. Jerad explained that, while the issue of unemployment is not a new phenomenon in Gafsa, the fact that unemployment in that region is twice that of the rest of the country is indicative of what motivated the public response. Regarding the UGTT members currently detained, Jerad confirmed that the UGTT continues to lobby the GOT to release them.

¶7. (C) Jerad was keen to emphasize the challenge posed by high unemployment in Tunisia. Jerad and Trabelsi also stressed the problem posed by low investment in Tunisia's interior provinces, as compared with the littoral.

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In or Out? Chamber of Advisors  
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¶8. (C) Jerad indicated that the UGTT would continue to boycott its allotted seats in the Chamber of Advisors. (Note: Under the electoral code, UGTT, along with the Employers' Union and the Farmers' and Fishermen's Unions, are each allotted 14 seats in the Chamber of Advisors. The respective organizations submit lists of candidates which are voted on municipal counselors and members of the Chamber of Deputies. The UGTT rejects this formula, which does not allow it full independence in selecting its own representatives.) When asked, he affirmed that there was no change on their position from three years ago and that UGTT is not willing to enter the Chamber under the prescribed conditions. Jerad asserted that UGTT is free and independent and would only join the Chamber in that capacity.

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Comment  
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¶9. (C) UGTT leaders finds themselves between the proverbial "rock and a hard place." Jerad must balance the needs of the grassroots and regional offices while maintaining relations with the powers-that-be. At the same time, the regional offices are taking a decisive stand regarding economic conditions and labor rights while the national office is more accommodating in its approach.

¶10. (C) The current "social negotiations" present the UGTT, and indeed the GOT and the business community, with a key challenge. From the disturbances in Gafsa province to the grumbling on the streets of Tunis there are increasing signs that Tunisians are unhappy, even fed up. Rising food and oil

prices, widespread rumors of "first family" corruption and high levels of unemployment are feeding the discontent. If the GOT and business agree to a sufficiently high wage increase in the talks, the situation may well continue to muddle along. If not, there may be further instances of spontaneous social combustion.<sup>8</sup> In either case, the response of Tunisians to the results of the talks will provide a further measure of how happy ) or not ) they are with their situation today. End Comment.

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